

BY REPRESENTATIVE GEYMAN

**BUDGETARY CONTROLS:** (Constitutional Amendment) Provides relative to the budget process

## A JOINT RESOLUTION

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members elected to each house concurring, that there shall be submitted to the electors of the state of Louisiana, for their approval or rejection in the manner provided by law, a proposal to amend Article III, Section 16(A) of the Constitution of Louisiana, to read as follows:

## §16. Appropriations

Section 16.(A) Specific Appropriation for One Year. Except as otherwise provided by this constitution, no money shall be withdrawn from the state treasury except through specific appropriation, ~~and no appropriation shall be made under the heading of contingencies or~~ for longer than one year, and no contingent appropriation shall be made.

\* \* \*

1           Section 2. Be it resolved by the Legislature of Louisiana, two-thirds of the members  
2       elected to each house concurring, that there shall be submitted to the electors of the state of  
3       Louisiana, for their approval or rejection in the manner provided by law, a proposal to  
4       amend Article VII, Sections 10(B), (D)(1), and (E) and 11(A) and (B) and to add Article VII,  
5       Section 10(D)(4) of the Constitution of Louisiana, to read as follows:

6           §10. Expenditure of State Funds

7                   Section 10.(A)

8   \*       \*       \*

9           (B) Official Forecast. The conference shall prepare and publish initial and  
10       revised estimates of money to be received by the state general fund and each  
11       dedicated ~~funds~~ fund for the current and next fiscal years which are available for  
12       appropriation. Except for money that is not required to be deposited in the state  
13       treasury and that which is excluded from the definition of state general funds, each  
14       estimate of money to be received shall include all money that supports  
15       appropriations in the executive budget, general appropriation bill, capital outlay bill,  
16       and any other bill or bills that raise additional revenue as provided in Section 11 of  
17       this Article or that provide financing. To the extent that money supporting such  
18       appropriations consists of the balance in any fund, the conference estimate of such  
19       balance shall be certified by the treasurer. In each estimate, the conference shall  
20       designate as either recurring or nonrecurring all of the money in the estimate,  
21       including money to be received by each fund. ~~which is recurring and which is~~  
22       ~~nonrecurring.~~ All conference decisions to adopt these estimates shall be by  
23       unanimous vote of its members. Changes to the unanimous vote requirement shall  
24       be made by law enacted by a favorable vote of at least two-thirds of the elected  
25       members of each house. The most recently adopted estimate of money available for  
26       appropriation shall be the official forecast. The Revenue Estimating Conference  
27       shall use the definition of nonrecurring, as provided for in law, to determine the  
28       designation of money in the official forecast as either recurring or nonrecurring.

29   \*       \*       \*

1           (D) Appropriations. (1) Except as otherwise provided by this constitution,  
2 money shall be drawn from the state treasury only pursuant to an appropriation made  
3 in accordance with law. Appropriations from the state general fund and dedicated  
4 funds except funds allocated by Article VII, Section 4, Paragraphs (D) and (E) shall  
5 not exceed the expenditure limit for the fiscal year. Monies from state general fund  
6 and dedicated funds, as defined in Paragraph (J) of this section, shall not be available  
7 for appropriation unless included in the official forecast.

8   \*       \*       \*

9           (4) Except as otherwise provided in this constitution, including Paragraph  
10 (F) of this Section, the amount appropriated out of any fund shall not exceed the  
11 official forecast by the Revenue Estimating Conference of money available for  
12 appropriation from that fund for that fiscal year.

13           (E) Balanced Budget. Appropriations by the legislature from the state  
14 general fund and dedicated funds for any fiscal year except funds allocated by  
15 Article VII, Section 4, Paragraphs (D) and (E) shall not exceed the official forecast  
16 in effect for each fund at the time the appropriations are made.

17   \*       \*       \*

## 18       §11. Budgets

19           Section 11.(A) Budget Estimate. The governor shall submit to the  
20 legislature, at the time and in the form fixed by law, a budget estimate for the next  
21 fiscal year setting forth all proposed state expenditures. This budget shall include  
22 a recommendation for appropriations from the state general fund and from dedicated  
23 funds, except funds allocated by Article VII, Section 4, Paragraphs (D) and (E),  
24 which shall not exceed the official forecast of the Revenue Estimating Conference  
25 and the expenditure limit for the fiscal year. The recommendation shall not contain  
26 any recommendation for a contingent appropriation nor any recommendation for  
27 appropriations of money designated as nonrecurring for purposes other than those  
28 specifically authorized by Article VII, Section 10(D)(2). The recommendation shall  
29 also comply with the provisions of Article VII, Section 10(D). This budget shall

1 include a recommendation for funding of state salary supplements for full-time law  
2 enforcement and fire protection officers of the state, as provided in Article VII,  
3 Section 10(D)(3) of this constitution.

4 (B) Operating Budget. The governor shall cause to be submitted a general  
5 appropriation bill for proposed ordinary operating expenditures which shall be in  
6 conformity with the recommendations for appropriations contained in the budget  
7 estimate. The recommendation shall be in accordance with the official forecast as  
8 adopted by the Revenue Estimating Conference. The governor may cause to be  
9 submitted a bill or bills to raise additional revenues with proposals for the use of  
10 these revenues.

11 \* \* \*

12 Section 3. Be it further resolved that this proposed amendment shall be submitted  
13 to the electors of the state of Louisiana at the statewide election to be held on November 4,  
14 2014.

15 Section 4. Be it further resolved that on the official ballot to be used at the election,  
16 there shall be printed a proposition, upon which the electors of the state shall be permitted  
17 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as  
18 follows:

19 Do you support an amendment to prohibits funds from being available for  
20 appropriation unless they are included in the official forecast of the Revenue  
21 Estimating Conference; and that funds appropriated do not exceed the state's  
22 official forecast of revenues; and that appropriations are neither contingent  
23 nor use nonrecurring monies for recurring expenditures; and that the  
24 governor must submit a general appropriation bill in accordance with the  
25 official forecast; and that the Revenue Estimating Conference must  
26 designate certain revenues as nonrecurring, to be used only for those  
27 nonrecurring expenditures currently required by the constitution? (Amends  
28 Article III, Section 16(A) and Article VII, Sections 10(B), (D)(1), and (E)  
29 and 11(A) and (B); Adds Article VII, Section 10(D)(4))

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Geymann

HB No. 530

**Abstract:** Provides for the role of the Revenue Estimating Conference in the expenditure of state funds, including determining what money is defined as nonrecurring. Provides that funds shall not be available for appropriation unless included in the official forecast. Provides that appropriations shall not exceed the official forecast. Provides that the governor's budget recommendation shall not contain contingent appropriations nor use nonrecurring revenues for purposes other than those specifically authorized by the constitution.

## APPROPRIATIONS

Present constitution provides that no money shall be withdrawn from the state treasury except through specific appropriation and no appropriation shall be made under the heading of contingencies for longer than one year. Proposed constitutional amendment clarifies that no contingent appropriation shall be made. (Art. III, §16(A))

## EXPENDITURE OF STATE FUNDS

Present constitution sets forth requirements relative to the expenditure of state funds and establishes the Revenue Estimating Conference (REC) to prepare and publish initial and revised estimates of money to be received by the state general fund and dedicated funds for the current and next fiscal years which are available for appropriation, the most recent of which is called the official forecast. In each estimate, the REC must also designate money as either recurring or nonrecurring. Proposed constitutional amendment retains present constitution and specifies that the REC must designate as recurring or nonrecurring money to be received by each fund and provides that the REC must use the definition of nonrecurring as it appears in current law to designate revenues as recurring or nonrecurring.

Present constitution provides that money shall be drawn from the state treasury only pursuant to an appropriation made in accordance with law and that appropriations from state general fund and dedicated funds shall not exceed the expenditure limit. Proposed constitutional amendment provides that funds (other than federal, self-generated by higher education institutions, and interagency transfers) shall not be available for appropriation unless included in the REC's official forecast. Proposed constitutional amendment further specifies that unless otherwise provided in the constitution, the amount appropriated out of any fund shall not exceed the official forecast of money available for appropriation from that fund. (Art. VII, §10(B) and (D))

## BUDGETS

Present constitution requires the governor to submit to the legislature a budget estimate for the next fiscal year setting forth all proposed state expenditures. This budget shall include a recommendation for appropriations from the state general fund and from dedicated funds which shall not exceed the REC's official forecast or the expenditure limit for that year. The governor shall cause to be submitted a general appropriation bill which shall be in conformity with the budget estimate. Proposed constitutional amendment retains the present constitution and prohibits, including in the budget estimate, any recommendation for a contingent appropriation or an appropriation from nonrecurring money, except as authorized by, present constitution and requires the operating budget recommendation to be in

accordance with the Revenue Estimating Conference's official forecast. (Art. VII, §10(D) (2))  
and (Art. VII §11 (A) and (B))

Provides for submission of the proposed amendment to the voters at the statewide election  
to be held Nov. 4, 2014.

(Amends Art. III, §16(A) and Art. VII, §10(B), (D)(1), and (E) and 11(A) and (B); Adds  
Art. VII, §10(D)(4))